

## HUMAN SERVICES DEPARTMENT[441]

### Adopted and Filed

#### Rule making related to individual placement and support

The Human Services Department hereby amends Chapter 77, “Conditions of Participation for Providers of Medical and Remedial Care,” Chapter 78, “Amount, Duration and Scope of Medical and Remedial Services,” and Chapter 79, “Other Policies Relating to Providers of Medical and Remedial Care,” Iowa Administrative Code.

#### *Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code section 249A.4.

#### *State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 249A.4.

#### *Purpose and Summary*

These amendments implement the Individual Placement and Support (IPS) Supported Employment (SE) evidence-based model within the Home- and Community-Based Services (HCBS) Habilitation Supported Employment services. These amendments establish the provider qualifications and implementation criteria applicable to the IPS SE providers. These amendments also implement the outcome-based reimbursement methodology for IPS SE.

IPS is a model of supported employment for people with serious mental illness. IPS SE helps people living with behavioral health conditions work at regular jobs of their choosing. Although variations of supported employment exist, IPS is the only evidence-based practice of supported employment.

IPS research (27 randomized controlled trials) shows IPS is more effective than alternate vocational approaches regardless of a variety of client background factors (e.g., ethnicity, gender, socioeconomic status, barriers to employment).

IPS is research-based. Efficacy and effectiveness are empirically validated through a body of rigorous research, replicated in a wide range of settings by multiple investigators. IPS has standardized practice guidelines. Its critical components are well defined in a “manualized” service approach, measured via a 25-item Fidelity Scale.

IPS was developed by practitioners in the fields of employment and psychiatry, including Deborah R. Becker, M.Ed, CRC; Robert E. Drake, MD, Ph.D; and Gary Bond, Ph.D, at the Dartmouth Psychiatric Research Center of Dartmouth Medical School in the late 1980s. The Dartmouth Psychiatric Research Center is now called The IPS Center at Westat in Lebanon, New Hampshire. The IPS Center started the International Learning Collaborative (ILC) in 2001 with three sites. As of 2020, there are 24 U.S. states or territories and six countries in the ILC. Westat leads the dissemination, quality control, research, and support of IPS nationally and globally.

Iowa currently has two qualified IPS providers, which have participated in an IPS pilot project since 2018 with funding for training and technical assistance provided by their mental health and disability services regions. These two IPS providers initially received reimbursement through their regions for IPS outcomes and then through the Iowa Medicaid State Plan HCBS Habilitation Services program through an exception to policy (ETP). At the same time Iowa Medicaid began reimbursing these two providers for the IPS Model through an ETP, Iowa Vocational Rehabilitation Services (IVRS) adopted an IPS funding model that reimburses equal to Iowa Medicaid.

## *Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on May 19, 2021, as **ARC 5623C**. The Department received four comments from two respondents on the proposed amendments. The comments and corresponding responses from the Department are divided into two topic areas of provider standards and reimbursement.

### **Provider standards**

#### **Comment 1:**

“A suggested edit to paragraph 76 [of the commenter’s document] is ‘Providers shall be accredited Community Mental Health Centers (CMHCs) in good standing, and/or Employment Service Providers who are enrolled in IVRS and Medicaid Habilitation Providers are eligible to form an IPS Team.’

“In the experience of the Vera French Community Mental Health Center, part of why IPS works is the seamless integration of mental health habilitation services with the employment process. In fact, elsewhere in this document, there is a requirement that the IPS team include both vocational and mental health service providers. Yet, only those providers of vocational services under this current section are eligible. It is our belief that either half of the IPS team (mental health or vocation services) should at least be eligible to form an IPS team under this opportunity, subject to securing the partnerships necessary to meet all other conditions under this document. The Vera French Community Mental Health Center has many years of experience providing habilitation services and would be interested in forming an IPS team under this state initiative. In fact, Vera French at the end of 2019 secured over \$200,000 in local, private funding to create an IPS program in Davenport. Vera French pursued IPS on behalf of our clients because it was an evidence-based practice. Yet, despite this experience and our ability to document substantial local financial support, the document as is currently written prevents Vera French from growing our IPS program with State of Iowa assistance.”

#### **Response 1:**

CMHCs wishing to deliver State Plan HCBS Habilitation Supported Employment services must be enrolled to deliver SE under the HCBS Habilitation program. The following agencies may be enrolled to provide employment services:

- (1) An agency that is certified by the Department to provide supported employment services under:
  1. The home- and community-based services intellectual disability waiver pursuant to rule 441—77.37(249A); or
  2. The home- and community-based services brain injury waiver pursuant to rule 441—77.39(249A).
- (2) An agency that is accredited by the Commission on Accreditation of Rehabilitation Facilities as an organizational employment service provider or a community employment service provider.
- (3) An agency that is accredited by the Council on Accreditation.
- (4) An agency that is accredited by the Joint Commission.
- (5) An agency that is accredited by the Council on Quality and Leadership.
- (6) An agency that is accredited by the International Center for Clubhouse Development.

Currently, employment support services are not identified in the CMHC Core Services in Iowa Code chapter 230A, and it is unclear that the CMHC accreditation include the review of the delivery of employment supports or how CMHCs are qualified to deliver comprehensive supported employment services. The Department is willing to continue to work with the Mental Health and Disability Services Division of the Department and the CMHCs to explore adding CMHC accreditation as a qualifying criterion for enrollment as a supported employment services provider.

#### **Comment 2:**

“Please clarify what is a sufficient level of knowledge and skill. Please clarify what CES certification is.”

#### **Response 2:**

As stated in the Department’s definition of the term, “certified employment specialist” or “CES” means a person who has demonstrated a sufficient level of knowledge and skill to provide integrated employment support services to a variety of client populations and has earned a CES certification through a nationally recognized accrediting body.

Certified employment specialists obtain CES certification through a national accrediting body. Certification is offered through the Association of People Supporting Employment First (APSE). The CESP credential is designed for employment support professionals to enhance their professional standing, wages and career advancement options, as a measure of staff competency for providers of employment services. The certification awarded designates that participants have demonstrated the requisite work-related knowledge, skills, or competencies and met other requirements established by the certification program provider (e.g., academic degree, a specified number of years of occupational or professional experience).

**Comment 3:**

“People served in IPS are occasionally only funded under Habilitation and do not have an open file with IVRS. In those cases there would not be an IVRS counselor on the team. We would suggest changing this definition to read: ‘IPS team’ means, at a minimum, an IPS employment specialist, a behavioral health specialist, Iowa Vocational Rehabilitation Services (IVRS) counselor, and/or a case manager or care coordinator.”

**Response 3:**

As stated in the Department’s definition of the term, “IPS team” means, at a minimum, an IPS employment specialist, behavioral health specialist, IVRS counselor, and case manager or care coordinator.

In cases where a member receiving IPS is not actively working with IVRS, the inclusion of the IVRS counselor on the team would not be applicable. No changes will be made to the rules as a result of this comment at this time.

**Reimbursement:**

**Comment 4:**

“Under the Current IPS Exception to Policy the outcome payments are billed as follows: Outcome 1 is billed under T2015u3 for 34 units as a lump sum upon completion of the Career Plan. Outcome 2 is billed under T2018 for 30 units as a lump sum upon completion of the first day on the job. Outcome 3 is billed under T2018 for 30 units as a lump sum upon completion of 45 days on the job. Outcome 4 is billed under H2025 u5 for 1 unit as a lump sum upon completion of 90 days on the job. Can you clarify that this will continue when these rules go into effect?”

**Response 4:**

Upon implementation of the administrative rules, IPS SE will have a dedicated procedure code and modifier for each of the four outcome payments as noted in the table below. Procedure codes and modifiers will be as follows:

**Model to be implemented September 1, 2021**

| Outcome Description                      | IME IPS Service Code | Service Code Description                 | Units authorized |
|--|----------------------|--|------------------|
| #1. Completed Employment Plan            | T2018 U3             | IPS Completed Employment Plan            | 1 unit           |
| #2. 1st Day Successful Placement         | T2018 U4             | IPS 1st Day Successful Placement         | 1 unit           |
| #3. 45 Days Successful Job Retention     | T2018 U5             | IPS 45 Days Successful Job Retention     | 1 unit           |
| #4. 90 Days Successful Job Stabilization | T2018 U6             | IPS 90 Days Successful Job Stabilization | 1 unit           |

No changes from the Notice have been made based upon comments. A change was made for consistency in the name of the IPS Employment Center at Westat.

### *Adoption of Rule Making*

This rule making was adopted by the Council on Human Services on July 8, 2021.

### *Fiscal Impact*

The purpose of these amendments is to implement the IPS SE evidence-based model. These amendments establish the provider qualifications and implementation criteria applicable to the IPS evidence-based practice model for approved supported employment providers. The IME currently reimburses for the IPS SE Model through an ETP for two IPS certified providers. The current IPS model reimbursement methodology is consistent with how the Department reimburses for traditional SE services within the Habilitation program. This rule making will change the IPS payment structure to an outcome-based reimbursement methodology and is expected to have a higher per-recipient cost than the current method. The cost impact will be low initially since only current IPS recipients will be impacted, but is expected to grow over time as more providers elect to participate. The initial cost for only IPS recipients is estimated at \$33,330 total and \$12,652 for the state share, but the cost could grow to \$1,105,203 total and \$419,535 for the state share if all those currently receiving the traditional SE model transition to IPS.

The fiscal impact cannot be determined because the degree to which providers/members will transition to IPS is not known. Based on the above, the annual state share cost is expected to be between \$12,652 and \$419,535, and likely closer to the low end at initial implementation. Participation in the IPS SE Model has led to improved mental health, physical health, and overall functioning for job seekers, which in turn leads to reduced expenditures related to hospitalizations, emergency room visits, prescription drugs, and other Medicaid-covered services and supports. These potential savings are not incorporated in the above cost estimates.

### *Jobs Impact*

Adoption of these amendments is likely to increase the number of individuals with serious mental illness who are able to obtain and maintain employment. The adoption of these amendments may also create additional CES positions within the SE provider community.

### *Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

### *Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

### *Effective Date*

This rule making will become effective on September 1, 2021.

The following rule-making actions are adopted:

ITEM 1. Adopt the following **new** definitions of “Certified employment specialist,” “Individual placement and support,” “IPS 25-item supported employment fidelity scale,” “IPS implementation,”

“IPS reviewer,” “IPS team,” “IPS trainer,” “Prospective IPS team” and “Provisionally approved IPS team” in subrule **77.25(1)**:

“*Certified employment specialist*” or “*CES*” means a person who has demonstrated a sufficient level of knowledge and skill to provide integrated employment support services to a variety of client populations and has earned a CES certification through a nationally recognized accrediting body.

“*Individual placement and support*” or “*IPS*” means the evidence-based practice of supported employment that is guided by IPS practice principles outlined by the IPS Employment Center at Westat, and as measured by its most recently published 25-item supported employment fidelity scale available online at [ipsworks.org/wp-content/uploads/2017/08/ips-fidelity-manual-3rd-edition-2-4-16.pdf](https://ipsworks.org/wp-content/uploads/2017/08/ips-fidelity-manual-3rd-edition-2-4-16.pdf). The IPS practice principles are:

1. Focus on competitive employment: Agencies providing IPS services are committed to competitive employment as an attainable goal for people with behavioral health conditions seeking employment. Mainstream education and specialized training may enhance career paths.
2. Zero exclusion criteria based on client choice: People are not excluded on the basis of readiness, diagnoses, symptoms, substance use history, psychiatric hospitalizations, homelessness, level of disability, or legal system involvement.
3. Integration of rehabilitation and mental health services: IPS programs are closely integrated with mental health treatment teams.
4. Attention to worker preferences: Services are based on each person’s preferences and choices, rather than providers’ judgments.
5. Personalized benefits counseling: Employment specialists help people obtain personalized, understandable, and accurate information about their social security, Medicaid, and other government entitlements.
6. Rapid job search: IPS programs use a rapid job search approach to help job seekers obtain jobs directly, rather than providing lengthy preemployment assessment, training, and counseling. If further education is part of their plan, IPS specialists assist in these activities as needed.
7. Systematic job development: Employment specialists systematically visit employers, who are selected based on job seeker preferences, to learn about their business needs and hiring preferences.
8. Time-unlimited and individualized support: Job supports are individualized and continue for as long as each worker wants and needs the support.

“*IPS 25-item supported employment fidelity scale*” means the fidelity scale published by the IPS Employment Center at Westat, resulting in scores of exemplary fidelity, good fidelity, fair fidelity, or not supported employment.

“*IPS implementation*” means the process advocated by the IPS Employment Center at Westat, which consists of the following phases:

1. Formation of IPS team steering group and one-day meeting with the IPS trainer and team members.
2. Completion of the IPS Readiness Assessment developed by the IPS Employment Center at Westat and individual review with the IPS trainer.
3. Completion of a one-day IPS kick-off team training with the IPS trainer and team members.
4. Participation in individual team training and monthly consultations as follows:
  - Two-and-a-half-day individual team training with the IPS trainer and team members.
  - Virtual training by the IPS Employment Center at Westat for at least three people per team.
  - Leadership training for two people per team at the IPS Employment Center at Westat.
  - Virtual monthly technical assistance for two hours per month per team.
5. Participation in the International Learning Collaborative, including:
  - Participation in the International Learning Collaborative annual conference by two people per state.
  - Virtual monthly technical assistance calls with the IPS Employment Center at Westat mentor assigned to the team.
  - Participation in the prescribed data tracking and management activities.

6. Completion of one baseline fidelity review per IPS team, with two IPS reviewers on site for two days per review.

7. Evaluation and development of next steps, with an on-site half-day meeting for the IPS trainer and the team.

*“IPS reviewer”* means a person who is qualified to complete fidelity reviews of IPS services and is one of the following:

1. A person who has provided IPS services or has supervised an IPS team in Iowa which has obtained a fidelity score of “good” or better, has completed the IPS Employment Center at Westat’s training to become an IPS reviewer, and has shadowed one or more IPS fidelity reviews;

2. An existing IPS reviewer from a state which is a member of the IPS International Learning Collaborative;

3. An IPS reviewer contracted directly from the IPS Employment Center at Westat;

4. A CES with a bachelor’s degree who has completed the IPS Employment Center at Westat’s training to become an IPS reviewer and has shadowed one or more IPS fidelity reviews.

*“IPS team”* means, at a minimum, an IPS employment specialist, a behavioral health specialist, Iowa Vocational Rehabilitation Services (IVRS) counselor, and a case manager or care coordinator.

*“IPS trainer”* means a person who is qualified to provide training and technical assistance for IPS implementation and is one of the following:

1. A person who has provided IPS services or has supervised an IPS team in Iowa which has obtained a fidelity score of “good” or better, and has completed the IPS Employment Center at Westat’s training to become an IPS trainer;

2. An existing IPS trainer from a state which is a member of the IPS International Learning Collaborative;

3. An IPS trainer contracted directly from the IPS Employment Center at Westat;

4. A CES with a bachelor’s degree who has completed the IPS Employment Center at Westat’s training to become an IPS trainer.

*“Prospective IPS team”* means a group that is forming an IPS team to deliver IPS services but who has not yet completed implementation phase 4a.

*“Provisionally approved IPS team”* means a group that has (1) formed a team to deliver IPS services, (2) completed implementation phase 4a, and (3) begun to deliver IPS services.

ITEM 2. Adopt the following **new** paragraph **77.25(10)“d”**:

d. Providers qualified to offer IPS services shall meet the following requirements:

(1) Providers shall meet the provider qualifications listed in this subrule.

(2) Providers shall be accredited to provide supported employment and have provided supported employment for a minimum of two years.

(3) Providers shall demonstrate adequate funding has been secured for the training and technical assistance required for IPS implementation. Adequate funding is defined as at least the amount required for the start-up of one IPS team to complete all phases of IPS implementation. Evidence of such funding shall be made available to the department at the time of enrollment. Evidence may include a written funding agreement or other documentation from the funder.

(4) Providers shall receive training and technical assistance throughout IPS implementation from an IPS trainer. Evidence of the IPS team’s agreement for such training and technical assistance shall be made available to the department at the time of enrollment.

(5) Prospective IPS teams shall complete IPS implementation as defined in subrule 77.25(1) and as outlined by the IPS Employment Center at Westat.

(6) Prospective IPS teams are provisionally approved until the IPS team has obtained at least a “fair” score on a baseline fidelity review completed by IPS reviewers.

(7) Provisionally approved IPS teams shall complete IPS implementation phases 1 through 4a within 12 months of enrolling.

(8) Upon completion of IPS implementation phase 4a, provisionally approved IPS teams shall deliver IPS services according to the IPS outcomes model.

(9) Upon completion of IPS implementation phase 7, IPS teams are qualified to deliver IPS services, subject to the following:

1. IPS teams must obtain a baseline fidelity review score of “fair” or better within 14 months of completion of IPS implementation phase 1. The fidelity review must be completed by IPS reviewers. The fidelity reviews shall be provided to the department upon receipt by the IPS team.

2. In the event an IPS team fails to achieve a fidelity score of “fair” or better, the IPS team shall receive technical assistance to address areas recommended for improvement as identified in the fidelity review. If the subsequent fidelity review results in a score of less than “fair” fidelity, the IPS team will be provisionally approved for no more than 12 months or until the fidelity score again reaches “fair” fidelity, whichever date is earliest.

3. IPS teams who do not achieve a “fair” fidelity score within 12 months from being provisionally approved will no longer be qualified to deliver IPS services until they again reach the minimum “fair” fidelity score.

ITEM 3. Adopt the following new definition of “Certified employment specialist” in subrule **78.27(1)**:

“*Certified employment specialist*” or “*CES*” means a person who has demonstrated a sufficient level of knowledge and skill to provide integrated employment support services to a variety of client populations and has earned a CES certification through a nationally recognized accrediting body.

ITEM 4. Amend subrule **78.27(1)**, definition of “Individual placement and support,” as follows:

“*Individual placement and support*” or “*IPS*” means ~~an evidence-based supported employment model that helps people with mental illness to seek and obtain~~ the evidence-based practice of supported employment that is guided by IPS practice principles outlined by the IPS Employment Center at Westat, and as measured by its most recently published 25-item supported employment fidelity scale available online at [ipsworks.org/wp-content/uploads/2017/08/ips-fidelity-manual-3rd-edition-2-4-16.pdf](https://ipsworks.org/wp-content/uploads/2017/08/ips-fidelity-manual-3rd-edition-2-4-16.pdf). The IPS practice principles are:

1. Focus on competitive employment: Agencies providing IPS services are committed to competitive employment as an attainable goal for people with behavioral health conditions seeking employment. Mainstream education and specialized training may enhance career paths.

2. Zero exclusion criteria based on client choice: People are not excluded on the basis of readiness, diagnoses, symptoms, substance use history, psychiatric hospitalizations, homelessness, level of disability, or legal system involvement.

3. Integration of rehabilitation and mental health services: IPS programs are closely integrated with mental health treatment teams.

4. Attention to worker preferences: Services are based on each person’s preferences and choices, rather than providers’ judgments.

5. Personalized benefits counseling: Employment specialists help people obtain personalized, understandable, and accurate information about their social security, Medicaid, and other government entitlements.

6. Rapid job search: IPS programs use a rapid job search approach to help job seekers obtain jobs directly, rather than providing lengthy preemployment assessment, training, and counseling. If further education is part of their plan, IPS specialists assist in these activities as needed.

7. Systematic job development: Employment specialists systematically visit employers, who are selected based on job seeker preferences, to learn about their business needs and hiring preferences.

8. Time-unlimited and individualized support: Job supports are individualized and continue for as long as each worker wants and needs the support.

ITEM 5. Reletter paragraphs **78.27(10)“d”** to **“f”** as **78.27(10)“e”** to **“g.”**

ITEM 6. Adopt the following new paragraph **78.27(10)“d”**:

*d. Individual placement and support (IPS).*

(1) IPS shall include the following activities, which shall be described and documented in the member’s employment plan:

1. Development of the career profile, including previous work experience, goals, preferences, strengths, barriers, skills, disclosure preferences, career advancement, education and plan for graduation.
  2. Integration of IPS team members and the behavioral health team, including routine staffing meetings regarding IPS clients.
  3. Addressing barriers to employment, which may be actual or perceived. Support may include addressing justice system involvement, a lack of work history, limited housing, child care, and transportation.
  4. Rapid job search and systematic job development. CESs help members seek jobs directly, and do not provide extensive preemployment assessment and training or intermediate work experiences. The job process begins within 30 days of starting IPS services. This rapid job search is supported by CESs developing relationships with employers through multiple face-to-face meetings. CESs take time to learn about the employers' needs and the work environment while gathering information about job opportunities that might be a good fit for individuals they are working with.
  5. Disclosure counseling, to assist the member in making an informed decision on disclosure of a disability to a prospective or current employer.
  6. Identification and implementation of job accommodations and assistive technology supports.
  7. Ongoing benefits counseling. The member must receive information on available work incentive programs, or referral to professional benefits counselors for a personalized work incentives plan for any state or federal entitlement.
  8. Time-unlimited follow-along supports. These supports are planned for early in the employment process, are personalized, and follow the member for as long as the member needs support. The focus is supporting the member in becoming as independent as possible and involving family members, co-workers, and other natural supports. These supports can be provided on or off the job site and focus on the continued acquisition and development of skills needed to maintain employment.
- (2) Units of service. Reimbursement is made for each outcome achieved for the member participating in the IPS supported employment model. Outcomes are as follows:
1. Outcome #1: Completed employment plan.
  2. Outcome #2: First day of successful job placement.
  3. Outcome #3: 45 days successful job retention.
  4. Outcome #4: 90 days successful job retention.



ITEM 7. Amend subrule **79.1(2)**, provider category of “HCBS waiver service providers,” paragraph 19, as follows:

| <u>Provider category</u>                              | <u>Basis of reimbursement</u> | <u>Upper limit</u>  |
|---|-------------------------------|---|
| 19. Supported employment:                             |                               |   |
| <u>Individual placement and support</u>               | <u>Fee schedule</u>           | <u>Fee schedule in effect 7/1/21.</u>   |
| Individual supported employment                       | Fee schedule                  | Fee schedule in effect 7/1/16.<br>Total monthly cost for all supported employment services not to exceed \$3,059.29 per month.                                |
| Long-term job coaching                                | Fee schedule                  | Fee schedule in effect 7/1/16.<br>Total monthly cost for all supported employment services not to exceed \$3,059.29 per month.                                |
| Small-group supported employment (2 to 8 individuals) | Fee schedule                  | Fee schedule in effect 7/1/16.<br>Maximum 160 units per week.<br>Total monthly cost for all supported employment services not to exceed \$3,059.29 per month. |

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 7/28/21.